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CAPACITY-BUILDING

Report on the progress in the review by the Global Environmental Facility of its enabling activities, its capacity-building activities in its normal work programme, its Country Dialogue Workshops and its Capacity Development Initiative

Note by the secretariat

1. At its fifth session, the Conference of the Parties, by its decision 10/CP.5, requested the secretariat to report at the twelfth sessions of the subsidiaries bodies on progress in the review by the Global Environment Facility (GEF) of its enabling activities, its capacity-building activities in its normal work programme, its Country Dialogue Workshops and its Capacity Development Initiative.

2. The secretariat has received a progress report[1] from the GEF in response to the above-mentioned provision of decision 10/CP.5, which is reproduced as received, in the attached annex.

[1] In order to make the report available on electronic systems, including the World Wide Web, it has been reformatted. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

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Annex*

Global Environment Facility

May 1, 2000

INFORMATION ON GEF ACTIVITIES REQUESTED IN DECISION 10/CP5 PARAGRAPH 5(F)

* Please note that the original pagination of this annex as submitted by the GEF Secretariat has been replaced with consecutive page numbering throughout the entire document.

INTRODUCTION

1. The Conference of the Parties at its fifth session, by decision 10/CP.5[1], requested the Convention Secretariat to report to the Subsidiaries Bodies at their twelfth sessions, on progress in the review by the GEF of its enabling activities, its capacity-building activities in its normal work program, its Country Dialogue Workshops and its Capacity Development Initiative. The Secretariat of the GEF has prepared the following information to assist the Convention Secretariat in responding to this request.

2. This report contains three Annexes:

Annex A: Progress Report on Review of Climate Change Enabling Activities
Annex B: Progress Report on the Capacity Development Initiative
Annex C: Progress Report on the Country Dialogue Workshops

3. Annex A provides an update on the work that is currently underway to review the GEF-financed enabling activities for climate change. The terms of reference for the on-going GEF review are attached as Attachment 1 to Annex A. During the meetings of the Subsidiary Bodies in June 2000, the GEF will organize a briefing and opportunity for dialogue with the Parties on the review of enabling activities.

4. Annex B provides a progress report on the Capacity Development Initiative. The assessment phase of the initiative is currently underway. At the end of this phase (which should conclude by September 2000), the following reports will be available:

(a) a synthesis report on country needs and priorities based on four regional reports, a report on Small Island Developing States, and a report on scientific and technical capacity development needs;

(b) a report on lessons learned from GEF-financed activities;

(c) a report on capacity development activities undertaken through GEF projects;

(d) a report on capacity development efforts of other multilateral and bilateral institutions; and

(e) a report compiling decisions of the Conferences of the Parties for the Convention on Biological Diversity and the UN Framework Convention on Climate Change concerning capacity development, including guidance to the financial mechanism, together with relevant decisions of the Convention to Combat Desertification.

5. Annex B includes the terms of reference for the preparation of each of these reports. The assessment phase is being developed with the extensive in-put of countries and regional experts.

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[1] For the full texts of decisions adopted by the Conference of the Parties at its fifth session, see document FCCC/CP/1999/6/Add.1.

Regional meetings to review the preliminary findings on the assessment of country needs are planned for July 2000. It is expected that the reports of the assessment phase will be made available to the meetings of the Subsidiary Bodies in September 2000.

6. Two of the assessment reports under preparation are concerned with the capacity-building activities of the GEF in its normal work program (see paragraph 4(b) and 4(c) above)

7. The GEF and UNDP will be organizing a briefing and opportunity for dialogue with the Parties on the Capacity Development Initiative during the meetings of the Subsidiary Bodies. It is also hoped that the regional experts preparing the assessment of country needs and priorities will be able to meet and consult with Parties from their respective regions during the meetings.

8. Annex C provides information on the GEF Country Dialogue Workshops. To date, fourteen workshops have been confirmed. As of May 1, 2000, two workshops have been organized.

Annex A: Progress Report on Review of Climate Change Enabling Activities

Climate Change Enabling Activities

Additional Funding for Priority Activities

1. Following the decisions of the fourth session of the Conference of the Parties to the UNFCCC and the additional funding for expedited enabling activities approved by Council in May 1999, the operational guidelines for climate change enabling activities have been extended to allow eligible countries to address priority concerns with GEF assistance. As in the case of biodiversity, a longer term plan of action to meet capacity building needs is to be developed under the Capacity Development Initiative approved by Council in May 1999.

Review of GEF support to initial national communications from Non-Annex I Parties

2. At the request of the Council, the Monitoring and Evaluation team of the Secretariat, initiated a review of climate change enabling activities in February 2000. The review is being undertaken by an inter-agency task force comprising staff from the UNDP, UNEP, the World Bank, and the GEF Secretariat, led by an independent consultant, Dr. Samir Amous, from Tunisia. The terms of reference for the review were developed in consultation with the three Implementing Agencies and are set forth in the Attachment 1 to this paper.

3. The task force proposes to collect information from a variety of sources as outlined in paragraph. 12 of the terms of reference: (i) review of documentation at the GEF Secretariat, the three Implementing Agencies, and the UNFCCC Secretariat; (ii) visits to the three Implementing Agencies and discussions with GEF regional coordinators and project managers; (iii) consultation with UNFCCC Secretariat, and other relevant bilateral and multilateral agencies, international, regional and local NGOs, including academic institutions; (iv) views expressed by Parties through the Convention Process; (v) preparation of regional overviews (case studies) by local/regional consultants; (vi) preparation of case studies on selected countries by local consultants; (vii) country visits by task force members; and (viii) questionnaire survey of all countries that received GEF support for climate change enabling activities. Based on the selection criteria described in paragraph 16 of the terms of reference, the following countries have been selected:

Country Visits:

4. Armenia, Azerbaijan, Bolivia, Brazil, Cameroon, Lebanon, Lesotho, Mali, Philippines, South Africa, Vietnam, Zambia.

Country Case Studies:

5. China, Egypt, Honduras, India, Malaysia.

Regional Case Studies:

6. Countries in the Caribbean which have received GEF-support under the Caribbean: Planning for Adaptation to Climate Change (CPACC) Project.

7. Countries in the South Pacific which have received GEF-support under the Pacific Islands Climate Change Assistance Project (PICCAP).

Progress to date

8. The country visits and country and regional case studies are currently underway. The visits to all the 12 countries are expected to be completed by end-April. The country and regional case studies are expected to be completed by end-May.

9. The task force will submit its report to the GEF Council for discussion before its November 2000 meeting. The Council will be invited to agree to forwarding the report to the sixth session of the Conference of the Parties to the UN Framework Convention on Climate Change.

GEF response to guidance concerning second national communications

10. At its last Council meeting, the Council requested the Secretariat to circulate to the Council, for its comment, the proposal of the Secretariat and the Implementing Agencies concerning the implementation of the decision of the fifth session of the Conference of the Parties concerning second national communications of non-Annex I Parties. The proposed approach allows full flexibility to countries to address their priority concerns in accordance with the guidance and decisions of the Conference of the Parties, and makes both expedited and regular GEF funding available for the purpose. Details are contained in Annex B of this document.

Collaboration with Convention Secretariat

11. In the period since the last GEF Council, the GEF Secretariat has continued to collaborate closely with UNFCC Secretariat, including through exchange of information and reciprocal attendance at meetings. The two Secretariats have consulted, in particular, with regard to the Capacity Development Initiative, and the GEF CEO and Chairman is scheduled to meet with the Executive Secretary of the Convention in April to review their collaboration in this area.

ATTACHMENT 1

GEF Review of Climate Change Enabling Activities

Terms of Reference

BACKGROUND

1. **Enabling activities**. Enabling activities – which include preparation of inventories, compilation of information, policy analysis, and design of strategies and action plans – represent a basic building block of GEF assistance to countries. They either are a means of fulfilling essential communications requirements to a Convention, provide a basic and essential level of information to enable policy and strategic decisions to be made, or assist planning that identifies priority activities within a country. Countries thus enabled will have the ability to formulate and direct sectoral and economy-wide programs to address global environmental problems through a cost effective approach within the context of national sustainable development efforts.[2]

2. **Climate Change Enabling Activities**. In the context of climate change, enabling activities were defined by the Conference of the Parties (COP) to the UN Framework Convention on Climate Change (UNFCCC) as "[measures] such as planning and endogenous capacity building, including institutional strengthening, training, research and education, that will facilitate implementation, in accordance with the Convention, of effective response measures".

3. The first Conference of the Parties (COP1) to the FCCC, requested the Global Environment Facility (GEF), the entity operating the financial mechanism of the UNFCCC on an interim basis, to give priority to the support of national communications:

> "Priority should be given to the funding of agreed full costs (or agreed full incremental costs, as appropriate) incurred by developing country Parties in complying with their obligations under Article 12.1[3] and other relevant commitments under the Convention. In the initial period, emphasis should be placed on enabling activities undertaken by developing country Parties, such as planning and endogenous capacity-building.

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[2] GEF Operational Strategy, 1996, page 9

[3] Article 12.1 of the UN Framework Convention on Climate Change (FCCC) requires that each Party, in accordance with Article 4.1, shall communicate to the Conference of the Parties, through the Convention Secretariat, the following elements of information:

"(a)A national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties.

(b)A general description of steps taken or envisaged by the Party to implement the Convention, and

(c) Any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends".

including institutional strengthening, training, research and education, that will facilitate implementation, in accordance with the Convention, of effective response measures".[4]

4. At its second meeting, the Conference of the Parties (COP2) adopted detailed guidelines[5] for the content of the first national communications from non-Annex-I Parties. In its guidance to the GEF, COP2 confirmed that these guidelines and format shall form the basis for the funding of communications from non-Annex I Parties. The guidance also required the GEF to expedite the approval and disbursement of financial resources for this purpose and consider country-specific needs and other approaches which may be used for several countries with similar needs, upon request, and take into account that the preparation of national communications is a continuing process.[6]

5. At the Fourth Conference of Parties (COP4), guidance to the GEF emphasized the need for funding support for preparing initial and subsequent national communications "by maintaining and enhancing relevant national capacity, so as to prepare the initial and second national communications which will take into account experiences, including gaps and problems identified in previous national communications, and guidelines established by the Conference of Parties."[7] COP4 also decided "to ensure that issues and concerns identified by non-Annex I Parties in their initial communications are brought to the attention of the Global Environment Facility (GEF) and through it, as appropriate, its implementing agencies when undertaking the comprehensive review of enabling activities projects"[8]

6. **GEF Supported Enabling Activities.**[9] Among the enabling activities, those that are specifically related to countries' obligations to first national communications under Article 12.1 of the UNFCCC are eligible for GEF financing on the basis of "agreed full costs". The GEF has

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[4] Decision 11/CP.1, item b(i) in document FCCC/CP/1995/7/Add.1, Report of the Conference of the Parties on its First Session, held at Berlin from 28 March to 7 April, 1995, Part Two: Action taken by the Conference of the Parties at its First Session.

[5] Decision 10/CP.2, Communications from Parties not included in Annex 1 to the Convention: guidelines, facilitation and process for consideration, in document FCCC/CP/1996/15/Add.1, Report of the Conference of the Parties on its Second Session, held at Geneva from 8 to 19 July 1996, Part Two: Action taken by the Conference of the Parties at is Second Session.

[6] Decision 11/CP.2, paragraphs 1(c) and (d), Guidance to the Global Environment Facility, in document FCCC/CP/1996/15/Add.1, Report of the Conference of the Parties on its Second Session, held at Geneva from 8 to 19 July 1996, Part Two: Action taken by the Conference of the Parties at is Second Session.

[7] Decision 2/CP.4, para 1(d) Additional guidance to the operating entity of the financial mechanism, in document FCCC/CP/1998/16/Add.1, Report of the Conference of the Parties on its Fourth Session, held at Buenos Aires from 2 to 14 November 1998, Part Two: Action taken by the Conference of Parties at its fourth session.

[8] Decision 12/CP.4, para 1(d), Initial National Communications from Parties not included in Annex-I of the Convention in document FCCC/CP/1998/16/Add.1, Report of the Conference of the Parties on its Fourth Session, held at Buenos Aires from 2 to 14 November 1998, Part Two: Action taken by the Conference of Parties at its fourth session.

[9] GEF Operational Strategy, 1997, page 37

prepared operational criteria, issued in Feb 1996 and revised in Feb 1997, to guide the preparation and scheduling of support for these activities, following expedited procedures.[10]

Status of the Climate Change Enabling Activities

7. The GEF has supported Climate Change Enabling Activities in a total of 128 countries amounting to a total GEF allocation of US$ 72 million through:

(a) enabling activities processed through expedited procedures in 96 countries amounting to US$ 24 million;

(b) enabling activities supported as full projects in 14 countries[11] amounting to US$ 10 million;

(c) 10 global/regional projects in 18 countries[12] amounting to US$ 36 million; and

8. In March 1998, the GEF approved a National Communications Support Program amounting to US$ 2 million, implemented jointly by the UNDP and UNEP. The project is geared towards enhancing the capacity of participating non-Annex 1 Parties to prepare their initial national communications to the UNFCCC. The activities of the project aim to improve the quality, comprehensiveness, and tir. .liness of the initial national communication from non-Annex 1 Parties to the Convention in accordance with the guidance provided by CoP-2 through the operation of a "Help" desk for climate change enabling activities, provision of additional technical assistance to countries preparing national communications and through the organization of a number of thematic and regional exchange workshops.

Rationale & Scope of the Study

9. The Study of GEF's Overall Performance recommended a comprehensive review of enabling activities to "determine how successful the projects have been, analyze the reasons for those that have failed, and consider policy and programmatic responses to the problem".[13] The GEF Council, endorsed this recommendation at the October 1998 meeting.[14] Since a sizeable number of activities have been implemented (or are underway), it would be useful to understand the effectiveness of climate change enabling activities in participating countries. In addition, the outputs from this study are expected to provide useful inputs to the Capacity Building Initiative proposed under the Strategic Partnerships (GEF/C.13/9).

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[10] Operational Criteria for enabling activities. Climate Change. GEF/C.7/Inf.10, February 1996
Operational Criteria for Expedited Financing of Initial Communications from non-Annex-1 Parties, February 1997.

[11] Jordan received support both under full project and under expedited procedure.

[12] Note that the global/regional projects also cover some of the countries listed in categories (a) and (b).

[13] Study of GEF's Overall Performance, pp.57

[14] Decision on Agenda Item 8, *Action Plan on Follow-up to the Overall Performance Study*, Joint Summary of the Chairs, GEF Council Meeting, October 14-16, 1998.

10. The overall purpose of the study will be to take stock of experience with GEF-supported climate change enabling activities and to extract lessons for future enabling activities. Specifically, the study is expected to examine:

(a) the effectiveness of the enabling activity modality;

(b) the effectiveness and efficiency of the process -- the GEF approval process and the national execution process;

(c) influence on broader capacity building and/or planning in countries through the process of preparation of initial communications; and

(d) best practices from country experiences.

11. The review will cover items (a), (b), and (c) listed in paragraph 7. The National Communications Support Program will be considered in the review to examine how the program is covering gaps identified in the GEF-supported enabling activities. The specific activities to be conducted under the study are:

Response to guidance from the COP

(a) Identify elements of COP guidance (from among those referenced in footnotes 3,4, and 5) to which the GEF Operational Criteria on Climate Change Enabling Activities has responded.

(b) Assess the responsiveness of operationalization of elements of COP guidance relevant to GEF Climate Change Enabling Activities in terms of: (i) timeliness of response; and (ii) reflection of the content and spirit of the guidance.

(c) Describe the evolution of the consultation process between the GEF Secretariat, the Implementing Agencies, and the UNFCCC Secretariat in the operationalization of Convention guidance in terms of specific milestones of consultation.

Effectiveness of the Operational Criteria

(d) Assess the appropriateness of the GEF Operational Criteria for Climate Change Enabling Activities in terms of: (i) ease of interpretation and operationalization by the Implementing Agencies and participating countries; (ii) its guidance on preparation of national communication; and (ii) applicability and flexibility to specific country needs.

(e) Evaluate the effects of expedited procedures in terms of elapsed times for different stages of the project preparation, approval, and disbursement process.

Portfolio Overview

(f) Identify the status of various countries enabling activities, specifying the status of sub-components, and preparation/submission of first national communications.

Project Design and Implementation

(g) Compare the activities of enabling activity projects against the GEF Operational Criteria for Climate Change Enabling Activities, and carry out a preliminary evaluation of adequacy of the GEF cost norms to facilitate the completion of each of the components of the enabling activities towards meeting the objective of preparing the first national communications.[15]

(h) Assess the roles played by the countries, the Implementing Agencies and the GEF Secretariat in developing the portfolio of enabling activities, and the impact of enabling activities on the GEF portfolio as a whole. Assess the GEFSEC-IA review/dialogue process and its consistency with established timelines, quality and relevance of technical comments; and the impacts on project design and implementation.

(i) Assess the adequacy of budgets made available to the Implementing Agencies to design and implement enabling activities; assess the adequacy of project implementation time and schedule.

(j) Examine how the enabling activities complemented existing climate change related activities in country. Specifically examine the complementarity with enabling activities supported by other external sources of financing.

(k) Identify the sources, and assess the quality of technical assistance available to design and implement the projects, with specific reference to: (i) advice and inputs from Implementing Agencies; (ii) manuals, guidelines or other relevant materials; and (iii) consultants, with particular attention to the use of national and regional consultants.

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[15] The comparison should be done in the context of evolution of procedures and norms of enabling activities, with reference to specific time periods when enabling activity projects were reviewed and approved.

(l) Assess the roles, level, and mode of participation of different stakeholders (governments, NGOs, private sector, academic/research institutions, etc) in project design and implementation.

(m) Assess the contribution (complementary and supplementary) of the regional and global climate change enabling activity projects on country-level enabling activity projects and/or national communications. Assess possible synergies or overlaps between GEF-supported activities and bilateral programs.

(n) Assess whether the National Communications Support Program is providing adequate and appropriate additional assistance to countries to address identified gaps in the enabling activity project design.

(o) Assess the reporting and management procedures on implementation of enabling activities.

(p) Assess the relative merit and cost-effectiveness of capacity building through the three different approaches for enabling activities – full country projects, regional projects, projects under expedited procedures, as referenced in paragraph 7.

Project Results

(q) In countries where implementation has been underway for a significant amount of time:

(i) assess, if possible, whether the contributions of enabling activities are progressing towards meeting objectives set forth in the project design, including preparation and submission of initial communications.

(ii) assess the early results and sustainability of capacity building activities --- improvements to national institutional arrangements, training, data gathering and research, education, enhancement of human resources, and consideration in planning of response measures in accordance with the Convention, and other issues, such as capacity to improve and prepare inventories --- included in the enabling activity projects.

(iii) assess additional benefits, if any, that have resulted from enabling activities.

Best Practices

(r) Describe remedial actions taken by Implementing Agencies to early problems identified with the design and implementation of enabling activities.

(s) Identify the best practices and lessons learned in the design and implementation of enabling activities.

Recommendations

(t) Recommend broadly what modifications, if any, should be undertaken in the future to respond to future guidance from the Conference of the Parties regarding national communications.

(u) Recommend possible improvements in design, budgeting, appraisal and approval procedures, stakeholder participation and other relevant elements of enabling activities.

METHODOLOGY

12. The proposed methodology for the study will cover the following broad areas:

(a) Review of relevant documentation at the GEF Secretariat, United Nations Development Programme, United Nations Environment Programme, the World Bank, and the UNFCCC Secretariat.

(b) Visits to the Implementing Agencies and discussions with GEF regional coordinators and task managers of enabling activities.

(c) Consultation with relevant stakeholders such as the UNFCCC Secretariat, other relevant bilateral and multilateral agencies, international, regional and local NGOs, including academic institutions.

(d) Views expressed by the Parties through the Convention process.[16]

(e) Preparation of regional overviews (case studies) by consultants, focusing on regional groups of countries which may have undertaken a common approach to enabling activities.

(f) Preparation of country case studies on selected countries by local consultants.

(g) Country visits by study team members.

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[16] FCCC/SBI/1999/INF.3, National Communication from Parties not included in Annex I to the Convention: Provision of Technical and Financial Support,
FCCC/SBI/1999/MISC.2, National Communication from Parties not included in Annex I to the Convention, Preparation for Review of Enabling Activities, Views of Parties with regard to the review of the Global Environmental Facility enabling activities.

(h) Questionnaires to countries (to be carried out together with ongoing work under the National Communications Support Programme).

STUDY TEAM

13. The study will be carried out by a team comprising of members from the implementing agencies, the GEF Secretariat, the GEF Monitoring and Evaluation Unit, an international consultant, and local in-country consultants. The identified members of the study team are as follows:

(a) Mr. Samir Amous, team leader/international consultant.

(b) Ms. Bo Lim, Mr. Richard Hosier, and other members of the UNDP-GEF climate change team (with Mr. Martin Krause) UNDP

(c) Mr. Ravi Sharma, UNEP

(d) Mr. Mahesh Sharma, World Bank

(e) Mr. Avani Vaish, GEF Secretariat

(f) Messrs. Jarle Harstad, Ramesh Ramankutty, GEF Monitoring and Evaluation Team.

(g) Local consultants (to be identified depending on countries for case studies and field visits

14. The team will participate in all stages of the study, including developing detailed plan and methodology for the study and participate in initial synthesis discussions on finding and conclusions following country visits. Local consultants will participate in the team visits to countries and preparation of selected country case studies.

15. The team leader (with inputs from the team) will prepare an Inception Report, which will contain an overview of the data sources, plans on how to address the various issues, outlines of questionnaires or structured interview guides, a list of countries proposed for case studies and country visits, as well as a schedule for the execution of the study.

COUNTRY SELECTION CRITERIA

16. The team members will visit a selected number of countries. The countries will be selected to broadly represent the following factors

(a) projects approved under expedited procedures/projects that were approved under normal GEF procedures;

(b) projects that are close to completion/projects that are in early stages of implementation;

(c) Large/small projects.

(d) Large/small countries/island nations.

(e) Countries with low emissions and high vulnerability/countries with high emissions and low vulnerability.

(f) Geographical balance.

(g) Implementing Agency representation

OUTPUT

2. The team leader will be responsible for preparing the first draft of the report, based on country visit reports and on inputs provided by the team members.[17] Based on feedback received, a second draft will be prepared for management review at the GEF Secretariat and the Implementing Agencies. Following management review, a third draft will be prepared and forwarded to countries covered under visits and case studies for their comments. Based on feedback, the final report will be prepared for submission to the GEF Council. The final report will consist of 30-50 pages plus appendices, including, inter-alia, a list of all interviewees and data sources.

PROPOSED SCHEDULE

1. Identification of independent consultant	Jan 04, 2000
2. Finalization of Terms of Reference for review	Feb 7, 2000
3. Finalization of countries for visits and case studies	Feb 7, 2000
3. Team Meeting to go over TOR and finalize methodology	Feb 7, 2000
4. Consultation with Implementing Agencies, GEF Secretariat, UNFCCC Secretariat and Desk Review	Feb 2000
5. Inception Report	Feb 25, 2000
6. Country Visits and Country Case Studies	Mar – April ,2000
7. First Draft Report – to team for review	June 15, 2000
8. Second Draft Report – for GEFSEC-IA management review	July 15, 2000
9. Third Draft Report – for country comments	August 15, 2000
10. Final Report	Sept 31, 2000
11. Desktopping and Publishing	Oct 1, 2000

[17] Team members will be requested to provide specific inputs.

Annex B: Progress Report on the Capacity Development Initiative

INTRODUCTION

1. Strengthening the capacity of countries to undertake global environmental action is an important objective of the GEF and the conventions it serves. Recently, the issue of capacity development has received renewed attention within the context of the meetings of the conventions as well as within the GEF Council.

2. Seeking to better understand the needs of developing countries and countries with economies in transition for capacity development to address global environmental concerns so as to move forward strategically and comprehensively to respond to those needs, the GEF Council approved the *Capacity Development Initiative* (CDI). This initiative is an 18 month consultative planning process which should result in a comprehensive strategy and multi-year, operations-oriented action plans to assist GEF eligible countries to strengthen their capacity to meet the challenges of global environmental management, specifically in the areas of biodiversity, climate change and land degradation. The CDI is being developed through a "strategic partnership" between UNDP and the GEF Secretariat.

3. The guiding principle of the CDI is to lay the groundwork for action that is responsive to country needs and priorities through a fully consultative process with the partner countries and through mobilization of local and regional expertise. The work plan for this consultative process is divided into three stages:

(a) assessment of capacity development needs and past activities,

(b) development of a comprehensive strategy for multi-party action to meet identified needs, and

(c) development of action plans to serve as a framework for GEF-financed activities that will contribute to achievement of the strategy.

4. The first phase of the CDI will consist of a comprehensive assessment of capacity development needs, undertaken on a regional basis in Africa, Asia/Pacific, East Europe and Central Asia, and Latin America and the Caribbean. In each region, teams of three regional experts, in biodiversity climate change and land degradation, will prepare regional assessments reports of countries' needs for capacity development. The assessment will be based on the following information:

(a) Existing country reports, including national biodiversity strategies and action plans, national climate change communications, and other national reports prepared for the conventions;

(b) Responses to questionnaires on capacity development needs;

(c) Interviews and other consultations to complete the information generated through the desk study of country reports and questionnaires;

(d) Inputs from in-country studies that will provide additional information to the regional experts;

(e) Exchange of views at a regional workshop that will provide an opportunity to consult widely on the preliminary findings of the assessment.

5. Other activities in the first phase would include assessments of the GEF portfolio to be carried out by each Implementing Agency, consultation with other multilateral and bilateral agencies and NGOs about their efforts and programs in the field of capacity development, and inputs from the Secretariats of the Conventions emanating from their own mandates on capacity building.

6. This paper presents a progress report on the work accomplished to date.

STEERING COMMITTEE

7. The first step in launching the CDI has been the establishment of an inter-agency steering committee. The committee consists of representatives of the Implementing Agencies, Secretariats of the Conventions (CBD, UNFCCC, and CCD), STAP Chairman, and GEF Secretariat. The CDI Steering Committee is to provide overall policy guidance and strategic oversight to the CDI. The steering committee met on December 7, 1999, January 21, and April 7, 2000, and during a larger, brainstorming session in New York (see below) on February 14 and 15, 2000. The committee has provided very useful guidance and suggestions for developing CDI activities.

8. During its brainstorming session in New York on February 14 and 15, 2000, the committee discussed at length the modalities for launching the first 'assessment' phase of the CDI, the draft terms of reference for the various assessments, and the identification of the experts to carry out the regional assessment of country needs. The committee decided on the following criteria to identify regional experts:

(a) expertise in thematic area (biological diversity, climate change, land degradation);
(b) sub-regional balance within each region;
(c) advice from agencies represented on the steering committee;
(d) willingness and immediate availability for CDI work; and
(e) discussion and agreement in the steering committee.

The list of regional experts identified on this basis is at Attachment 1. As the committee decided that the assessment phase should pay special attention to the needs of Small Island Developing States (SIDS) as well as the special capacity needs of the scientific and technical community, experts were identified to prepare separate reports on these aspects.

LAUNCHING OF ASSESSMENT PHASE

ASSESSMENT OF COUNTRY NEEDS

9. A consultation was held in Washington, DC, on March 6 and 7, 2000, with the regional experts identified to participate in the assessment phase and NGO representatives[18] The following were discussed/decided during the consultation:

(a) Terms of reference for assessment of country needs. The terms of reference as agreed are at Attachment 2.

(b) As part of the assessment of country needs, some in-country studies will be undertaken in each region. Criteria for country selection for in-country studies were discussed and agreed (Annex C of Attachment 2), and on this basis, the regional experts recommended countries for such studies. The studies are to be conducted by teams of national experts(selected by host countries), once the countries have given their concurrence.

(c) Questionnaires will be used as a tool to gain a better understanding of capacity development needs at the country level. The regional experts developed a questionnaire according to their thematic expertise (biological diversity, climate change, and land degradation)[19]. These will be use by the regional teams to prepare a questionnaire for each region. The questionnaires will be translated into UN languages that are relevant to the region, and distributed to the following:

i. Governments (GEF focal points and Convention focal points),
ii. GEF accredited NGOs,
iii. STAP Roster experts,
iv. Field office staff of the implementing agencies,
v. Chairs of Small Grants Committee, and
vi. GEF project directors

(d) Scientific and Technical Community: Draft terms of reference for the assessment of the scientific and technical capacity needs are attached as Attachment 3.

(e) Regional Workshops: a workshop will be held in each of the four regions in early July 2000. All countries of the region will be invited to send a representative to participate in the workshop. The regional experts will provide progress reports on the work done so far, and undertake dialogue with participants. A venue for a workshop in each region was suggested by the regional experts.

(f) Outreach to Conventions: the regional experts have also been requested to make a presentation on their work during the forthcoming Conference of the Parties to the Convention on Biological Diversity (Nairobi, May15- 26, 2000) and the meeting

[18] Nominated by the network of GEF-accredited NGOs and Climate Action Network.
[19] The questionnaire may be seen at GEF's website. (www.gefweb.org)

of the Subsidiary Body on Implementation on the United Nations Framework Convention on Climate Change (Bonn, June 12-16, 2000) during the assessment phase. This will provide an opportunity for the experts to consult and dialogue participants in those meetings.

10. It is expected that the assessment of country level needs will be completed by July 2000.

ASSESSMENT OF GEF PORTFOLIO WITH REGARD TO THE CAPACITY DEVELOPMENT ACTIVITIES

11. In view of the considerable work on capacity building already undertaken through GEF projects, each Implementing Agency (UNDP, UNEP, and the World Bank) will undertake a review of its own portfolio to assess the nature and extent of such work. The Implementing Agencies have agreed on common terms of reference for this review and will shortly launch the exercise. The terms of reference for this assessment is attached at Attachment 4.

ASSESSMENT OF RELEVANT CAPACITY DEVELOPMENT WORK OF OTHER MULTILATERAL AND BILATERAL INSTITUTIONS.

12. This will form an important input for the overall strategy to meet capacity building needs of developing countries. The terms of reference for this assessment were discussed with the regional experts, and finalized terms of reference are attached at Attachment 5. The expert undertaking this assessment has begun his work and has prepared and distributed questionnaires for the purpose. He is expected to complete his work by July, 2000.

ASSESSMENT OF CONVENTION GUIDANCE

13. It has been agreed that secretariats of the Convention on Biological Diversity, the UN Framework Convention on Climate Change and the Convention to Combat Desertification wi. provide relevant provisions/decisions related to capacity building as inputs towards the development of a strategy and action plans to meet capacity development needs.

ATTACHMENT I: EXPERTS INVITED TO PREPARE ASSESSMENTS OF COUNTRY NEEDS

	Biological Diversity	Climate Change	Land Degradation	Capacity Development
Africa	**Cyrus MacFoy** (Sierra Leone)	**R.S. Maya** (Zimbabwe)	Thomas Fofung Tata (Cameroon)	**John Mugabe** (Kenya)
Asia/Pacific	**Zakri Hamid** (@ A. H. Zakri) (Malaysia)	**Jose Villarin** (Philippines)	**Shekhar Singh** (India)	
East Europe/ Central Asia	**Zuzana Guziova** (Slovak Republic)	**Jaroslav Marousek** (Czech Republic)	**Valery Neronov** (Russia)	
Latin America/ Caribbean	**Manuel Rodriguez** (Colombia)	**Daniel Bouille** (Argentina)	**Enrique Bucher** (Argentina)	**Hugo Navajas** (Bolivia)
SIDS	**Albert Binger** (Jamaica)	**A. Binger**	**A. Binger**	**A. Binger**
Scientific and Technological Capacity Development Needs	**John Mugabe** (Kenya)	**J. Mugabe**	**J. Mugabe**	**J. Mugabe**

NGO representatives invited to March 6-7 meeting as advisors

Liliana Hisas, (Representative of GEF-NGO network)

Bonizella Biagini, (Representative of Climate Action Network)Attachment 2: Terms of Reference for Assessment of Country Needs

OBJECTIVES OF THE COUNTRY NEEDS ASSESSMENT

1. In a global context, "capacity" refers to the ability of individuals and institutions to make and implement decisions and perform functions in an effective, efficient and sustainable manner. At the individual level, capacity building refers to the process of changing attitudes and behaviors-imparting knowledge and developing skills while maximizing the benefits of participation, knowledge exchange and ownership. At the institutional level it focuses on the overall organizational performance and functioning capabilities, as well as the ability of an organization to adapt to change. It aims to develop the institution as a total system, including individuals, groups and the organization itself. Traditionally, interventions at the systemic level were simply termed "institution strengthening". This reflected a concern with human resource development as well as assisting in the emergence and improvement of organizations. However capacity development further emphasizes the overall policy framework in which individuals and organizations operate and interact with the external environment, as well as the formal and informal relationships of institutions.

2. The objectives of the assessment of country needs are:

(a) To gain better understanding of capacity development needs in the context of country priorities to address global environment challenges; and

(b) To gain better understanding of how the global system may assist countries to address those capacity development needs.

METHODOLOGY FOR PREPARATION OF THE COUNTRY NEEDS ASSESSMENT

3. Four teams of experts with balanced regional and thematic representation will conduct country needs assessment in four regions: Africa; Asia and Pacific; Central and Eastern Europe and Central Asia; and Latin America and Caribbean. In addition to these four regions, there will be separate assessment studies of the needs of the Small Island Developing States and of scientific and technical capacity development needs.

4. The methodology to be followed for the assessment of country needs and priorities is the following:

(a) The teams will review national communications and reports submitted by parties to the CBD, CCD, and UNFCCC as well as other available

country-related reports addressing issues concerning the global environment.[20]

(b) Questionnaires will be sent to countries in the region to request information on their needs and priorities. This will be followed by telephone interviews for those countries that reply to the questionnaire and for which follow-up information would be helpful. (See Annex A)

(c) Three to four countries in each region will be invited to identify a nationally-based team of two to three experts or a qualified institution to carry out rapid assessments of country needs and priorities with a view to providing more detailed and focused information for the regional synthesis report. The regional teams may assist in briefing and advising the national team or institutions in the preparation of country reports (See Annex B for the terms of reference for the national teams of experts).

(d) Regional workshops will be organized in each of the four regions to provide an opportunity to discuss the assessment of country needs.

5. Steps to prepare the assessments are described below. A schedule of activities is proposed in Annex D.

(a) At the first briefing session in March, criteria will be discussed for selection of three to four countries in each region in which a national team or institution will be invited to undertake an in-country assessment of needs and priorities and a proposed list of countries will be agreed by the experts. (Agreed Criteria are set forth in Annex C.)

(b) The regional teams will be invited, as one of their preliminary activities, to prepare a more detailed workplan.

(c) Questionnaires will be distributed to countries.

(d) The experts will complete their desk study.

(e) The experts will undertake interviews and other consultations to complete the information generated through the desk study and questionnaires.

(f) The in-country studies will provide additional information for the study. A proposed approach for in-country needs assessment are set forth in Annex F. The experts will be expected to provide on-going advice to national teams and coordinate processes of in-country needs assessment to contribute to the larger assessment.

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[20] Country-related reports may include UNDP country programs, Capacity 21 reports, Country Assistance and Strategy reports, National Environmental Action Plan reports, etc.

(g) A regional workshop will provide an opportunity to consult widely on the findings of the study.

CONTENTS OF THE ASSESSMENT REPORTS

6. Each regional team will structure its regional report according to the region's particulars as well as their criteria and expertise. However, the general terms of the reports should include the following information:

(a) Executive Summary: providing a brief summary of the main points of the regional report, particularly concentrating on findings and conclusions

(b) A synthesis of the three sectoral reports – a qualitative assessment of the country development needs as perceived by the countries in the region.

(c) Sectoral Reports (Biodiversity, Climate Change, and Land Degradation). Each team will need to decide whether land degradation will be a separate sectoral report or included in the sectoral reports on biodiversity and climate change)

(d) Each sectoral report should include:

i. Introduction: covering the objectives and scope of the assessment, definitions of levels and types of capacity assessed, etc.

ii. Methodology: explaining how the assessment was conducted, including process followed, tools utilized, nature of sources and extent of coverage reached[21].

iii. Findings:

a. global environmental action priorities: review of the main global environmental action objectives and priorities of countries in the region[22].

b. required capacity to meet priorities: review of the environmental management capacity required at the individual, institutional and system levels to meet the above objectives[23]

c. capacity gaps, needs and bottlenecks: analysis of the capacities required and capacity components currently available.

iv. Conclusions: summarizing the findings and presenting recommendations for interventions in capacity development.

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[21] This section will also explain the process of how national teams' in-country assessments were conducted, and how their findings and recommendations contributed to the larger assessment report.

[22] With respect to addressing climate change, conserving biological diversity and combating land degradation.

[23] For example, capacity for information management and awareness raising, for goal setting, planning and policy making, for delivery and enforcement of activities.

OUTPUTS

7. *Participation in consultations during relevant convention meetings*: Experts from the team will be invited to present their work and consult with parties during relevant meetings of the conventions that will be convened during the period in which the assessment is underway.

8. *Interim and final regional synthesis reports*: the experts will prepare synthesized regional reports that include preliminary analysis and conclusions regarding global environmental priorities of the countries and the associated capacity needs and gaps. The draft reports will be made available to regional workshops for review and comment

9. *Reports on regional workshops* (See Annex E) The experts will be expected to present and discuss their work at a regional workshop and to jointly prepare the report of the workshop.

DESCRIPTION OF APPROACH AND PROCESS UNDERPINNING THE ASSESSMENT

10. The overall process will be centrally coordinated by the UNDP/GEF Secretariat team managing the CDI Initiative.

11. It is expected that the process leading to the final synthesis report production will be one of continuous dialogue between the national study team (for the duration of those studies), the regional team of experts, the UNDP/GEF Secretariat team and CDI Steering Committee.

12 The composition of both regional and national teams and their linkages with national and regional centers of expertise (where possible) will ensure that country-level perspectives drive the process on needs assessment.

13. The selection of experts from the region knowledgeable in areas of biological diversity, climate change, land degradation, and capacity development, the country reports to be prepared in full collaboration with the countries concerned and the regional workshops to review the draft synthesis report will help ensure that the assessments are an accurate reflection of national priorities and needs. This should contribute to a richer, better-informed regional synthesis.

ANNEX A: QUESTIONNAIRE

1. A questionnaire will be distributed to the following:

   (a) Governments (GEF focal points and Convention focal points),
   (b) GEF accredited NGOs,
   (c) STAP Roster experts,
   (d) Field office staff of the implementing agencies,
   (e) Chairs of Small Grants Committee, and
   (f) GEF project directors.

2. Proposed Questions:

   (a) The sectoral experts will prepare a draft of the questions that they recommend be ask for their sector.

   (b) These drafts will be shared with the regional teams.

   (c) Each regional team will prepare a questionnaire or questionnaires for their region.

   (d) The sectoral drafts will also be provided to the national teams. Each national team will prepare a questionnaire or questionnaires for use in its country.

ANNEX B: PROPOSED TERMS OF REFERENCE FOR THE NATIONAL TEAMS OF EXPERTS PREPARING RAPID ASSESSMENT OF COUNTRY NEEDS

A national team of experts or institution with expertise in the areas of biodiversity, climate change, land degradation and capacity development will prepare a rapid assessment of in-country capacity development needs in the country for responding to global environmental challenges.

Methodology

1. Prepare a workplan by April 14, 2000.

2. Conduct desk studies of relevant national reports prepared for purposes of the CBD, CCD and UNFCCC conventions and additional relevant literature and submit a report by April 21, 2000.

3. Distribute widely the questionnaire on capacity development needs and priorities and analyze responses (National teams may modify the questionnaire according to local circumstances)

4. A maximum of about 40 interviewees per country (about ten national level, ten provincial level, ten local level, and ten from donor representatives in the country should be selected for the interviews to ensure an adequate coverage of stakeholders)

5. Carry out interviews and consultations with relevant stakeholders, including representatives of:

(a) Government, including GEF focal points and Convention focal points,
(b) NGOs/ civil society,
(d) Academic/ professionals and scientific and technical community, and
(c) Private sector.

6. The group of interviewees should also include representatives from the following:

(a) STAP Roster experts,
(b) Field office staff of the implementing agencies,
(c) Chairs of Small Grants Committee,
(d) GEF project directors, and
(e) Local representatives from other bilateral and multilateral donors active in the country (with focal interest in biodiversity, climate change, and land degradation environmental issues.).

7. Produce a draft report on the results of the in-country assessment by May 12, 2000. The report will be received and reviewed by the experts conducting the assessment of country needs and priorities.

8. Produce a draft final report on the results of the in-country assessment by June 2, 2000. The report should aim at presenting an integrated analysis of the capacity objectives,

requirements and gaps that need to be addressed if the country is to contribute comprehensively to the challenges of managing the global environment.

9. The following issues in particular should be covered in the national assessment:

   (a) an assessment of the capacity development needs and priorities?

   (b) an assessment of the perceived basket of structures/ capacity functions that are required?

   (c) an assessment of what are the potential capacity needs and gaps which international assistance may best address?

10. Seek the endorsement of the report by the GEF focal point and the Convention focal points

11. Present the findings of the country study at the regional workshop

ANNEX C: AGREED CRITERIA FOR THE SELECTION OF THREE TO FOUR IN-COUNTRY STUDIES IN THE REGION

1. It is agreed that an average of three to four countries per region, including two small island developing counties, be selected for in-country assessment of capacity development needs, in coordination with the assessment efforts undertaken by regional experts. The aim in selecting countries is naturally to make the final configuration as representative as possible, but also to extend the reach of the assessment exercise further. A important consideration is the ability to prepare the assessment in the given time-frame of the CDI.

2. In consultation with the regional experts, the following broad criteria have been agreed for country selection:

(a) size of country (area and population): a mix of sizes would be desirable;
(b) sub-regional balance;
(c) range and extent of climate change issues, including abatement of emissions and vulnerability/ adaptation, and biological diversity and land degradation related problems.
(d) submission of first national reports/ communications to the Conventions(as indicator of progress in country's thinking about capacity building issues);
(e) participation in the Convention processes (as indicators of interest in the issue); and
(f) size of GEF portfolio in the country (indicating possibility of speedier assessment);

The GEF Secretariat would be able to provide information for some of these criteria (such as sub-regional grouping, submission of national reports, size of GEF portfolio).

3. The following additional factors were considered for selection:

(a) ready availability of national experts or an institution;
(b) mix of size and variety of environmental problems across the regions;
(c) inclusion of a small island developing states; and
(d) participation/representation in other activities of the CDI (to maximize reach of the CDI)

4. The selected countries will be contacted by UNDP-GEF and the GEF Secretariat to determine their willingness to participate in the assessment process (in the time frame envisaged) and to nominate experts.

ANNEX D: SCHEDULE FOR SUBMISSION OF PRODUCTS BY REGIONAL AND NATIONAL TEAMS AND CONVENTION MEETING DATES

I. Schedule for Regional Teams

Outputs and Meetings	March	April	May	June	July
March 6-7: Regional Experts' Meeting (Washington, DC)	▶				
April 1-14: CDI management conducts in-depth briefings by teleconference with each regional team		→ ▶			
May15-26: CBD COP Meeting (Nairobi, Kenya)			→ ▶		
May 26: Regional Teams complete interim "Integrated Assessment Reports"			▶		
June 15-16: FCCC SBI Meeting (Bonn, Germany)				▶	
July (various dates): Regional Workshops					→ ▶
July 21: Regional teams complete the final "Integrated Assessment Reports"					▶

II. Schedule for National Teams

Outputs and Meetings	March	April	May	June	July
April 14: National Teams complete their Workplans		▶			
April 21: National Teams complete "Summary Sector Reports"		▶			
May 12: National Teams complete draft "in-country reports" and submit to the Regional Team			▶		
May15-26: CBD COP Meeting (Nairobi, Kenya)			→ ▶		

Outputs and Meetings	March	April	May	June	July
June 2: National Teams complete the final "In-Country Reports"				▶	
June 15-16: FCCC SBI Meeting (Bonn, Germany)				▶	
July (various dates): Regional Workshops					▶

ANNEX E: REGIONAL WORKSHOPS

1. UNDP and the GEF Secretariat management team will oversee the organization of four regional workshops, in consultation with the regional teams. The experts are expected to present and discuss the results of the regional assessment process and the in-country assessment process.

2. UNDP and the GEF Secretariat will take the lead in:

   (a) Developing, in collaboration with CDI steering committee, a preliminary schedule for the regional workshops,

   (b) Issuing invitations to countries in the region to participate in the workshops,

   (c) Organizing logistical arrangements (venues, travel and other arrangements, translation as required, equipment required, preparation of workshop materials, etc.), and

   (d) Providing the workshop's secretariat.

3. The regional coordinator will take a lead in:

   (a) Preparation of background presentations and sub-sessions for the workshops

   (b) Identification and briefing of speakers, facilitators and rapporteurs for the event, as required, and

   (c) Preparing the draft workshop proceedings.

ATTACHMENT 3: DRAFT TERMS OF REFERENCE FOR ASSESSMENT OF SCIENTIFIC AND TECHNICAL CAPACITY DEVELOPMENT NEEDS

OBJECTIVES OF THE SCIENTIFIC AND TECHNICAL NEEDS ASSESSMENT

1. In a global context, "capacity" refers to the ability of individuals and institutions to make and implement decisions and perform functions in an effective, efficient and sustainable manner. At the individual level, capacity building refers to the process of changing attitudes and behaviors-imparting knowledge and developing skills while maximizing the benefits of participation, knowledge exchange and ownership. At the institutional level it focuses on the overall organizational performance and functioning capabilities, as well as the ability of an organization to adapt to change. It aims to develop the institution as a total system, including individuals, groups and the organization itself. Traditionally, interventions at the systemic level were simply termed "institution strengthening". This reflected a concern with human resource development as well as assisting in the emergence and improvement of organizations. However capacity development further emphasizes the overall policy framework in which individuals and organizations operate and interact with the external environment, as well as the formal and informal relationships of institutions.

2. The objectives of the assessment of scientific and technical capacity development needs are:

(a) To gain better understanding of scientific and technical capacity development needs in the context of country needs assessment to address global environment challenges; and

(b) To gain better understanding of how the global system may assist countries to build the capacity of and to mobilize the scientific and technical community to meet their capacity development needs.

METHODOLOGY FOR PREPARATION OF THE SCIENTIFIC AND TECHNICAL CAPACITY NEEDS ASSESSMENT

3. The scientific and technical expert will undertake a desk review of reports on 'assessment of country needs in the context of country priorities' prepared for four regions by experts, a report on 'assessment of needs in the context of priorities of Small Island Developing States' and other available documentation[24].

4. The expert will conduct a survey to complement the desk review in paragraph 8. For this purpose, the expert will prepare a questionnaire and distribute to STAP members, Roster of Experts (through the Scientific and Technical Advisory Panel (STAP) of the GEF), and NGOs

[24] The documents may include various technical reports prepared for conventions by SBSTA, SBSTTA, Committee on Science and Technology (CST), reports on various workshops/sessions by STAP, etc.

(through network of GEF-accredited NGOs). This will be followed by telephone and other interviews for those respondents that reply to the questionnaire and for which follow-up information would be helpful.

5. The expert will present and discuss his work at the STAP meeting in June. This will provide an opportunity for the expert to consult his work with the STAP members before he submits his final report on the scientific and technical capacity development needs.

OUTPUTS

6. The scientific and technical expert will prepare and submit a report that include the following elements:

(a) an overview of the nature of scientific and technical capacities that are required to address global environmental problems, focusing especially on thematic areas relevant to the CDI: biological diversity, climate change, and land degradation;

(b) scientific and technical capacity needs of regions: Africa, Asia/Pacific, East Europe and Central Asia, Latin America and Caribbean, and Small Island Developing States. This section should include preliminary analysis and conclusion regarding global environmental priorities of the regions associated with scientific and technical capacity needs and gaps; and

7. The expert will present and discuss his work at the STAP meeting in June, and he will prepare and submit a report on the STAP meeting.

8. In order to identify the roles of scientific and technical community to assist countries to meet their capacity needs, steps to prepare the assessment are described below.

(a) take a full inventory of various roles that the scientific and technical community can play;

(b) an assessment of scientific and technical community involvement drawing upon STAP reports, in-country report prepared by national experts, and integrated assessments report prepared by regional experts, information obtained through questionnaire and telephone interviews as well as consultation with STAP members during the meeting in June.

(c) capacities called for to fulfill these various roles and the various barriers to assumption of these roles by the scientific and technical community of the GEF eligible countries ; and

(d) relate capacity development needs to capacity building activities and thereby assess the value of various capacity building activities.

TIMEFRAME

9. The reports should be completed and submitted to the CDI Steering Committee by the end of July, 2000.

EXPECTED OUTPUTS

1. By the end of the portfolio assessment the following outputs are expected:
Each IA submits a report to the CDI steering committee summarizing the findings and conclusions of its portfolio assessment. The reports should be forward-looking, focussing on what has been done and how. The reports will have three chapters. Chapter one gives a statistical overview of CD interventions. Categories and criteria have to be defined. Chapter two identifies approaches, results, and lessons of capacity development activities carried out by the IAs. The immediate focus should be on the GEF project portfolio but the report should also highlight conceptual approaches, guidelines and experiences from the regular non-GEF portfolio. The IAs regular non-GEF portfolio will therefore be covered by this assessment and not by the "assessment of bilaterals' CD initiatives". Chapter three should describe the evolution of GEF's approach towards CD and GEF specific constraints in dealing with CD issues (both at the policy and operational level).

SCOPE

Chapter I:

2. Categories and criteria for the statistical analysis should be agreed upon as soon as the focal points for this assessment are nominated.

Chapter II:

3. The review should assess carefully experiences (and differences) with capacity development activities in the three areas that are relevant to the CDI i.e. BD, CC and LD. Selected projects (CD activities are usually embedded in projects) will be reviewed with regard to approaches/ guidelines/ tools/ methodologies in use to assist in:

(a) conceptualization of CD in the agency (e.g., how does CD fit into the overall country assistance and policy dialogue, different approaches for different sector situations and country contexts, priority areas, etc.)

(b) identification and assessment of capacity needs and gaps during project design and/ or early implementation (that would include processes for identification and involvement of stakeholders in identification and design, approaches and tools for diagnosis of CD needs, mapping of capacity needs, both at the system and organisational level, etc)

(c) implementation of CD initiatives (this would include looking for instance at whether or not there are more appropriate project management implementation approaches than others to help ensure CD); and

(d) monitoring and evaluation of CD initiatives (This would include for instance a discussion of how do you track CD achievements, how does this fit with the log frame approach, how do you define indicators, what are the most promising approaches to monitoring and evaluation in a CD context, etc).

4. Special emphasis should be given to the following issues:

(a) the level at which CD is made explicit in the planning documents (activity, output, or objective level);

(b) identification of GEF entry points in reference to the three CD levels (individual, entity, systemic);

(c) provision for exit strategies (sustainability);

(d) the management of CD initiatives (i.e. the iterative- phased vs. the blue print approach, national vs. regional/ global project approach, national execution vs. other execution modalities etc);

(e) the types of actors with which CD seems to work best;

(f) the enabling environment/ conditions conducive to effective CD;

(g) constraints to effective CD initiatives at the country, IA and GEF level; and

(h) lessons learned from CD interventions.

5. This should provide the CDI with a clear sense of where the GEF portfolio stands in terms of approaches, guidelines, tools and lessons.

6. To ensure a systematic assessment that facilitates comparison between agencies it is suggested to use the 3-level framework proposed by the CD approach paper:

LEVEL OF INDIVIDUAL

7. Issues to be looked at:

(a) Changes in individuals knowledge, skills, attitudes;

(b) Application of training on the job; and

(c) Application of individuals knowledge, skills, attitudes on department, group, organizational performance, policy process, etc.

LEVEL OF ENTITY/ ORGANIZATION

8. Issues to be looked at:

(a) Improvement in mission or goals,

(b) More efficient use of resources,

(c) Improved ability to lead strategically,

(d) Improved ability to plan, implement and monitor financial systems,

(e) Improved ability to plan, manage and evaluate human resources,

(f) Improved ability to access needed infrastructure,

(g) Improved ability to manage organizational processes,

(h) Improved ability to plan, implement and monitor programs,

(i) Improved internal organizational incentive systems, and

(j) Improved ability to understand the opportunities and constraints posed by the systemic environment

SYSTEMIC LEVEL

9. Issues to be looked at:

(a) The ability to formulate policy

(b) The ability to enforce policy

(c) The ability to choose amongst alternative solutions

Chapter III:

10. The evolution of GEF's approach towards CD and GEF specific constraints in dealing with CD issues (both at the policy and operational level .) should be described. Issues to be covered in chapter III include GEF policies and procedures (project cycle, project review criteria, project approach), IA policies and procedures (internal project cycle, project submission formats) and also government policies and procedures. Each IA would prepare its chapter III based on the analysis/ results/ insights of the previous two chapters.

METHODOLOGY

11. Each IA will carry out its own portfolio assessment along the lines of these ToR. IAs are encouraged to customize these ToRs to their specific needs and circumstances. It is suggested that each IA selects those projects (not more than 25) which could provide relevant information on the issues outlined in these ToR. Any type of project (enabling activity projects, full projects, medium size projects, regional/ global/ national projects) could be selected. Since this is a desk review the primary source of information would be project documents, evaluation reports, PIR reports, STAP selective reviews, etc. Field visits are not envisioned under this review.

12. Each IA should nominate a focal point for this assessment. For the WB the focal point is Rohit Khanna, for GEFSEC Avani Vaish, for UNDP Martin Krause, for the corporate M&E team Juha Uitto, for UNEP (to be announced). It is strongly encouraged that the 5 focal points maintain close contact during the review.

TIMEFRAME

13. The reports should be submitted to the CDI steering committee by end of July 2000.

ATTACHMENT 5: TERMS OF REFERENCE FOR ASSESSMENT OF CAPACITY DEVELOPMENT EFFORTS OF OTHER DEVELOPMENT COOPERATION AGENCIES

DESCRIPTION OF TASK

1. As stated in the ToRs for the CDI, the intent is to *review projects, capacity development policies, and strategies of other multilateral and bilateral development agencies, regional development banks, and NGOs* as well as *to engage in a dialogue with relevant groups and key staff in these organizations.*

EXPECTED OUTPUTS

2. It is expected that by the end of this review process, the consultant will provide the following:

(a) A report providing the results of the review of the policies and approaches of the international development cooperation community in support of capacity development initiatives. The report will identify the strengths as well as the needs for additional tools, in the international development cooperation community, with respect to the ways in which capacity and its development is conceptualized, translated into guidelines and put into practice through the management of development projects. The report will look at the international experience for CD as a general field, but with particular attention to references to environmental management, and more specifically to CD in relation to the global conventions.

(b) A special appendix to the report, offering a list of contact persons from the organisations covered so as to document the potential basis for an interagency network for dialogue on CD in general and CD for environmental management.

PROPOSED SCOPE OF THE REVIEW

3. The report will cover the following aspects:

(a) Approaches to capacity development in the international development cooperation community in terms of conceptualization of CD (This will include for instance a discussion of how others define CDE within a systemic perspective, the integration of levels of interventions within the definition of CD, the integration of technical assistance means in support of CD, the relation of CD to the other goals and priorities of development co-operation, etc)

(b) The lessons learned from the international development cooperation community as to the conditions necessary for effective capacity development interventions

(c) Guidelines and tools to assist in:

i The identification and design of CD initiatives (that would include processes for identification and involvement of stakeholders in identification and design, approaches and tools for diagnosis of CD needs, mapping of capacity needs, both at the system and organisational level, etc);

ii The implementation of CD initiatives (this would include looking for instance at whether or not there are more appropriate project management implementation approaches than others to help ensure CD); and

iii The monitoring and evaluation of CD initiatives (This would include for instance a discussion of how do you track CD achievements, how does this fit with the log frame approach, how do you define indicators, what are the most promising approaches to monitoring and evaluation in a CD context, etc).

(d) Donor coordination mechanisms for CDE (Where and how is it happening, lessons learned, etc.)

(e) A preliminary listing of who is doing what in supporting the Global Environmental CD Issues. This will include a review of what partners are actually doing in support for CD in that area.

(f) Issues related to the management of CD initiatives requiring special attention (i.e. the iterative vs. the blue print approach, program and sectoral vs. project approach, the various levels of CD from local to national, the types of actors with which CDE supports seems to work best, if any, etc).

4. This should provide the CDI with a clear sense of where the development cooperation community stands in terms of guidance, approaches and tools available on how to approach the management of CD initiatives (be they program or project level). It should also provide the baseline information for the furthering of a potential network on those issues to encourage sharing of experiences and mutual learning among organisations on best practices for CD.

AGENCIES AND ORGANISATIONS TO BE COVERED BY THE ASSESSMENT

INSTITUTES, NETWORKS, FOUNDATIONS AND NGOS

5. Stock will also be taken of the on-going work of agencies such as IUCN, IIED, INTRAC and HIID. The work of a number of NGOs, Institutes, Networks and/or Foundations will also be reviewed (e.g. The Ford Foundation, NESDA, the Indian Institute of Public Administration) to be identified as the review progresses. A least one such organisation for each of the 4 regions covered by the assessment process will be identified.
Bilateral donors:

6. The assessment will cover the bilateral donor agencies known to be at the actively involved in the thinking and implementation of CDE principles, namely: CIDA, DANIDA, DANCED, DFID, FFEM, GTZ, IDRC, JICA, NEDA, OECF, SIDA and USAID and the European Commission (DG VIII).

Multilateral agencies:

7. In addition to the knowledge on these issues gained through the assessments of the GEF implementing agencies' portfolios (to be covered under a separate assessment), the study will review the work of: the African Development Bank, the Asian Development Bank, , the European Bank for Reconstruction and Development, the Inter-American Development Bank, relevant UN agencies (except UNDP and UNEP which will be covered under the separate assessment of the GEF implementing agencies' portfolios referred to above), the multilateral global environmental agreements, the OECD/DAC and SPREP. In the case of the OECD, special attention will be given to the work of the Working Party on Development Assistance and Environment and of the Technical Assistance Network.

WORK PLAN AND METHODOLOGY PROPOSED

8. A step-by-step methodology is proposed to address these assessment and reporting needs.

9. It should be noted that to avoid duplications, the review will build extensively on previous reviews conducted by other development cooperation organisations, including in particular the 1998 OECD/DAC report on lessons learned in donor support to CDE and the 1998 DANIDA paper on monitoring and evaluation approaches to CDE and the 1999 UNDP-UNICEF paper on Planning and M&E for CD.

10. The following work plan would be implemented through continuous information exchange with CDI management and other development cooperation agencies in the info sharing stages of the assessment as well as in the sharing of the report's findings.

Step I: Information gathering (to be completed by April 14 – estimated level of effort 14 days):

(a) Identification of contact people in each agency covered and demand for information (in collaboration with SC members) (2 days)

(b) Follow up on demand for information and preliminary phone interviews with key contact people to follow up on request for information. (3 days)

(c) Provision of a list of agencies covered to CDI task manager as well as a list of types of info being gathered (1 day)

(d) Literature search (5 days)

(e) Provision of a list of compilations already available to CDI manager (1 day)

(f) Preparation of a status report for CDI management on the progress in conducting the assessment (2 days) – *to be tabled on April 14th.*

Step II: Review of Information and draft interim report (to be completed by May 12nd - estimated level of effort:14 days):

(a) Desk studies including review and analysis of literature gathered from Step 1 and draft interim report on assessment of CD efforts of other development cooperation agencies - *to be tabled on May 1st.* (8 days)

(b) Identification of selected organisations or initiatives where more in-depth info gathering is required.

(c) Preparation for, and presentation to SC meeting (2 day)

(d) Preparation of tailored semi-structured interviews (2 days)

(e) Organisation of selected visits to aid agencies and/or other organisations from which additional discussions are required to complement information gathered. (2 days)

Step III: Selected visits and review of additional information (to be completed by June 2 – estimated level of effort:12 days)

(a) Two field visits to three of the bilateral and multilateral partners are expected to complement official literature review. The three partners selected for visit will be determined based on the extent of the experiences coming out of the literature and in need of further data collection. Preliminary assessment suggests possible visits with DGIS (the Netherlands) and USAID in particular, plus a multilateral organisation to be identified (6 days).

(b) A visit to one of the other organisations listed in section V of the ToRs (NGO, institutes, etc) in one of the partner countries is also planned and will be determined based on the extent of the experiences coming out of the literature and in need of further data collections. One additional visit may also be added if required once the preliminary analysis is completed (3 days).

(c) Review and analysis of additional information collected (3 days)

Step IV: Preparation of draft report (to be completed by July 7 – estimated level of effort 15 days):

(a) Preparation of detailed/annotated table of contents of review report for comment and approval by CDI management (2 days)

(b) Drafting of report (8 days)

(c) Mail out of draft report for comments to development cooperation organisations covered (1 day)

(d) Meeting at UNDP/GEF to discuss draft report and comments (1 day)

(e) Review of comments received and follow up as required (3 days)

Step V: Preparation of final report (to be completed by July 31 – estimated level of effort 5 days):

(a) Production of final version of report incorporating the comments (2 days)

(b) Preparation for, and Presentation of findings (2 day)

(c) Dissemination of final report through informal network of contacts established (1 day)

Annex C: Progress Report on the Country Dialogue Workshops

1 The GEF's Country Dialogue Workshops (CDW) are designed to develop country capacity and promote awareness-building by means of direct dialogue with countries on the GEF and on national priorities for GEF assistance through targeted, participatory workshops.

2 The main objective of the workshops is to facilitate group dialogues amongst and between the workshop participants and the GEF including its Implementing Agencies, the Convention Secretariats, and STAP. The workshops effectively allow the GEF to:

(a) inform a broad national audience about the GEF, including its mission, strategy, policies, and procedures;

(b) facilitate national stakeholders' inputs to and information sharing on the country's priorities for GEF financed activities to ensure that the country's needs and national priorities are fully reflected in GEF assistance; and

(c) provide practical information on how to access GEF resources and how to propose, prepare, and implement GEF financed activities, including dissemination of information on good practices and lessons learned.

3 The CDW are overseen by a steering committee that consists of representatives from the Implementing Agencies and the GEF Secretariat. The workshops are organized by UNDP-GEF on behalf of the GEF partners, in full consultation with participant countries.

4 The CDW program is designed to organize dialogues in about 50 national and regional workshops over the next three years. It is expected that in 2000, more than 35 countries will be engaged in such dialogue through 13 national and three regional workshops.

5 As of April 2000, 90 countries have offered to host workshops under the program. These offers are evaluated by the CDW steering committee using the following criteria:

(a) Convention ratification,
(b) no previous GEF awareness workshops,
(c) cost effectiveness,
(d) lack of strong GEF portfolio/pipeline,
(e) significance of concerns in one or more focal areas, and
(f) submission of biological diversity national reports or climate change national communications.

6 The first workshop was held in Johannesburg, South Africa, from April 4 to 7, 2000. More than 90 stakeholders participated in the workshop. These participants represented a wide range of stakeholders, including government representatives, non-governmental organizations, communities, academic institutions, scientific and donor organizations, private sector as well as resource persons from the GEF Secretariat and its three Implementing Agencies. The results of the workshop evaluation reviewed by the program were quite encouraging and indicated that this broad range of participants felt that the workshop met or exceeded the objective stated in paragraph 2 above.

7 Fourteen workshops have been confirmed by the following government :

(a) Algeria,
(b) Caribbean sub-region[25],
(c) Cuba,
(d) Egypt,
(e) Malawi,
(f) Nigeria,
(g) Organization of Eastern Caribbean States/ Caribbean[26],
(h) Pacific Islands[27],
(i) Philippines,
(j) Russian Federation,
(k) Sri Lanka,
(l) Tanzania,
(m) Uzbekistan, and
(n) Vietnam

A workshop schedule for these workshops is indicated in Attachment 1. Similarly, a schedule for 2001 will be identified by the CDW steering committee during the latter part of 2000, in consultation with countries that have offered to host workshops.

8 Each workshop will be hosted by the country and organized by the GEF operational focal point based on information and *Workshop Facilitation Materials* prepared especially for the CDW. A Guide to Conducting a National Global Environment facility (GEF) Country Dialogue Workshop is available on the CDW website: **www.undp.org/gef/workshop/main.htm**

9. The *Workshop Facilitation Materials* address:

(a) GEF Awareness Briefing Session
(b) Country Dialogue Workshop Session
(c) Project Development Session
(d) Science and Technology Advisory Panel (STAP) Session
(e) Role of the Private Sector Session
(f) Small Grants Programme Session

Materials for each of these sessions have been prepared in English and are currently being translated into other languages.

10 General information on the CDW and the *Workshop Facilitation Materials* can be obtained from the CDW website. Additional information such as program overview, dates for upcoming

[25] Guyana, Jamaica, and Trinidad and Tobago will be invited to this workshop.
[26] All member states of the Organization of Eastern Caribbean States will be invited to this regional workshop hosted by Dominica.
[27] Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu will be invited to this workshop.

workshops, and workshop reports prepared by the GEF operational focal point are available through this website. The CDW website will be continuously updated with new materials.

ATTACHMENT 1: WORKSHOP SCHEDULE

(AS OF APRIL 18, 2000)

Country	Confirmed Dates	GEF Focal Point
1. Vietnam	April 25 to 28, 2000	Dr. Nguyen Dac Hy Vice National Environment Agency 39 Tran Hung Dao. Hanoi, Vietnam Tel. (84 4) 824 25 11 Fax (84 4) 825 15 18
2. Uzbekistan	June 6 to 9, 2000	Ms. Tatyana Ososkova Centre of Environmental Pollution Monitoring 72 Makhsumova str. Tashkent 700052 Tel./Fax (998 71) 133 6117
3. Egypt	June 26 to 29, 2000	Dr. Ibrahim Abd El Gelil Chief Executive Officer Egyptian Environmental Affairs Agency Cabinet of Ministers Maadi/Cairo Tel. (202) 578 4840 Fax (202) 578 4847
4. Nigeria	July 18 to 21, 2000	Ms. Anne Ete-Ita Federal Ministry of the Environment Office of the Honourable Minister of State Federal Secretariat, Shehu Shagari Way P.M.B. 468 Garki, Abuja Tel. (234 9) 523 4014 Fax (234 9) 523 4014 / 234 2807
5. Algeria	July 24 to 27, 2000	Mr. Taous Ferroushi Deputy director (Specialized Institutions and Programs) Ministry of Foreign Affairs 6 Rue Ibn Batran El-Mouradia, Algoers Algeria Tel (213 2) 692525
6. OECS/Caribbean	August 8 to 11, 2000	Mr. Sheridan Gregorie Chairman Sustainable Development Council National Development Coporation Valley Road, P.O.Box 293 Roseu, Dominica Tel (767) 448 2045 Fax (767) 448 5480

Country	Confirmed Dates	GEF Focal Point
7. Philippines	August 22 to 25, 2000	Mr. Mario S. Rono 2000 Undersecretary for Environment and Natural Resources Diliman, Quezon City Philippines Tel (63 2) 929 6252 / 929 6626 Fax (63-2) 927 6755 / 928 0970
8. Russian Federation	September 19 to 22, 2000	Averchenkov, Alexander Executive Director National Pollution Abatement Facility (NPAF) ul Kedrova 8/1, GSP-7 Moscow, 117874 Russian Federation Tel (7-095) 125-4314/5559 Fax: (7-095) 125-5559
9. Malawi	October 3 to 6, 2000	Mr. R.P. Kabwaza Director, Environmental Affairs Department Lingadzi House Private Bag 394 Lilongwe 3, Malawi Fax (265) 783 379
10. Cuba	To be confirmed	To be confirmed
11. Caribbean	To be confirmed	To be confirmed
12. Pacific Islands	To be confirmed	To be confirmed
13. Sri Lanka	To be confirmed	To be confirmed
14. Tanzania	To be confirmed	To be confirmed